Book review: Grigas, Agnia (2013). The Politics of Energy and Memory between the Baltic States and Russia. Farnham, Surrey: Asghate.

The literature on Baltic foreign policy has grown significantly since Estonia, Latvia and Lithuania joined the EU and NATO in 2004. However to date, there has been a dearth of systematic comparative research focused on the role of political parties in shaping Baltic approaches toward Russia. The book seeks to fill in this gap and in many ways it succeeds.

The starting point for the book is the observed variation of Baltic policies vis-à-vis Russia in the energy sector and politics of memory. Grigas presents four case studies: oil and gas politics, the pursuit of Soviet occupation damages and Baltic approaches to the V-Day celebrations in Moscow. For each case, the preferences of key domestic actors are plotted on two axes: cooperative-adversarial and pragmatic-principled (p.7) and then correlated with potential explanatory factors.

The observed variation is treated as a challenge to the neorealist paradigm because of the similarity of structural conditions in the Baltic region (p.5). Drawing on the liberal tradition of International Relations, Grigas argues that partisan ideologies and the economic calculations of political and business actors have been the key drivers of Baltic approaches to Russia. Somewhat surprisingly, economic factors also become the primary explanation for Russian approaches to the Baltic States. For example, the author points out that the change of Russian strategy from temporary to permanent termination of oil exports via Latvian and Lithuanian ports took place only after the Russian ports in the Gulf of Finland and the necessary pipeline infrastructure were developed (p. 46). At the same time, just a few paragraphs later, Grigas acknowledges that it is impossible to separate the economic activities of the largest Russian energy companies from Kremlin's foreign policy objectives (ibid.).

An incumbency effect is another key finding of the book. In almost all cases, it becomes apparent that when in government both left and right leaning parties take more moderate approaches in comparison to their principled rhetoric when in opposition (p. 178). According to Grigas, this is due to the prevalence of coalition governments and the strategic attempts by political parties to score points with their electorates.

The book also points to a partial, but potent role of business elites in Baltic foreign policy formation. This applies both to oil (p.74) and gas (p. 125-6) sectors, especially in Latvia and Lithuania. Estonia tended to pursue more transparent and pragmatic neoliberal policies, which allegedly helped to avoid excessive politicization of bilateral economic relations with Russia.

Last but not least, Grigas insists on a limited and mostly indirect role of ethnic minority-related issues on Baltic foreign policy. Due to the absence of strictly ethnic parties in Latvian and Estonian coalition governments, the presence of Russian speaking minorities had a moderating influence on policies related to Russia, but the communities themselves did not actively define these approaches (p. 180).

Despite a very systematic and detailed analysis of the four case studies, there are some factual shortcomings, which complicate a rather delicate "second image reversed" perspective presented in the book. For example, Grigas seems to somewhat misconstrue a crucial case of Lietuvos Dujos privatization. Although she insists that the centre left coalition led by the Social Democrats was in power during 2000-2004 (p. 119), the reality was more complex and more interest than that. Throughout most of 2000, the conservative-led coalition was in charge followed by a fragile centrist coalition of liberals until July 2001. During the latter period, all major parties, including the Homeland Union, made an informal agreement in favour of Lietuvos Dujos privatization. The difference between it and the final privatization deal was additional nine percent of shares allocated to Gazprom – from the suggested 25 to 34 percent. Due to the absence of alternative suppliers of natural gas, Gazprom's demand for equal shares with a Western strategic investor was hardly unusual or heavy handed. Given what Grigas herself argued about the moderation of parties once in government, there is little ground to suggest that this deal would have been blocked or radically changed by a right-leaning coalition.

More generally, the convergence of left-right political spectrums toward a middle position may in fact suggest that identity politics in Baltic-Russian relations should not be discounted as well. The domestic political gamesmanship of who is weak or strong on Russia suggests that historical legacies are still quite relevant for understanding Baltic politics. They may not explain the details of a particular privatization agreement, but they reveal the broader cultural-psychological context within which political elites function.

As it stands, this book is a valuable and unique addition to the literature on foreign policy formation in the eastern Baltic region. It also clearly demonstrates that the assumption of "Baltic" foreign policy is highly problematic and needs to be supplemented, if not supplanted, with more nuanced domestic politics-driven perspectives.